

**CHAPTER 30 DISPOSITION OF UNCLAIMED PROPERTY**

Secs.	
3000	General Provisions
3001	Forms
3002	Abandonment of Property
3003	Notice to Owners of Abandoned Property
3004	Reporting
3005	Conflicts between Claims of States
3006	Retention of Records
3007	Safe Deposit Repository
3008	Reciprocity
3009	Communication
3010	Reimbursements
3011	Collateral

**3000 GENERAL PROVISIONS**

- 3000.1 The rules set forth in this chapter are promulgated to implement the provisions of Title I of the "Uniform Disposition of Unclaimed Property Act of 1980", D.C. Law 3-160 (D.C. Code §42-201 *et seq.*), as amended (also referred to in this chapter as the "Act").
- 3000.2 The provisions of this chapter shall be applicable to matters raised with the Deputy Chief Financial Officer of the Office of Tax and Revenue under the Act, except for matters raised under Title II (Lost Property).
- 3000.3 If there is any conflict between the provisions of this chapter and the provisions of the Act, the provisions of the Act shall govern.
- 3000.4 In any case where the provisions of this chapter appear to conflict, the specific provision shall govern over the general.
- 3000.5 If there is a conflict between the holding period specifically applicable to a particular holder or item and a general holding period required to create a presumption of abandonment under the Act, the holding period of the shorter duration shall apply.
- 3000.6 The Act is custodial in nature, and property subject to the Act and this chapter shall not escheat, but shall be held by the District as conservator.
- 3000.7 For purposes of this chapter, "Deputy Chief Financial Officer" means the Deputy Chief Financial Officer of the Office of Tax and Revenue ("Office") or the Deputy Chief Financial Officer's duly authorized agent, designee, or representative.

- 3000.8 The Act, which took effect March 5, 1981, shall be applied as if it had become effective as of January 1, 1980.

**AUTHORITY:** Unless otherwise noted, the authority for this chapter is Title I of the Uniform Disposition of Unclaimed Property Act of 1980, D.C. Law 3-160, D.C. Code §42-201 et seq. (1981 Ed.).

**SOURCE:** Final Rulemaking published at 28 DCR 3622 (August 14, 1981); as amended by Final Rulemaking published at 28 DCR 4183 (September 25, 1981).

**EDITOR'S NOTE:** The Office of the Chief Financial Officer of the District of Columbia published a Notice of Public Interest at 44 DCR 2345 (April 18, 1997) changing the name of the "Department of Finance and Revenue" to the "Office of Tax and Revenue."

### 3001 FORMS

- 3001.1 Each report, claim, or application required by the Act or this chapter shall be made on forms approved by the Deputy Chief Financial Officer of the Office of Tax and Revenue or in a manner prescribed or approved by the Deputy Chief Financial Officer.

- 3001.2 Approved forms may be obtained from Room 480, 441 4th Street, N.W., Washington, D.C. 20001.

**SOURCE:** Final Rulemaking published at 28 DCR 3622, 3623 (August 14, 1981).

### 3002 ABANDONMENT OF PROPERTY

- 3002.1 For the purposes of the Act and this chapter, the term "tangible personal property" shall include everything that is the subject of ownership consisting of movable corporeal articles, except real estate, with a market value of fifty dollars (\$50) or more.

- 3002.2 For the purposes of the Act and this chapter, the term "intangible personal property" shall include the following:

- (a) Monies, checks, drafts, deposits, interest, dividends, and income;
- (b) Credit balances, customer overpayments, gift certificates, security deposits, refunds, credit memos, unpaid wages, and uncashed airline tickets;
- (c) Stocks, bonds, and other intangible interests in business associations;
- (d) Monies deposited to redeem stocks, bonds, coupons, and other securities or to make distributions;
- (e) Amounts due and payable under the terms of insurance policies;
- (f) Unclaimed prizes or contest winnings;
- (g) Assets distributable from a trust or custodial fund established under a plan to provide health and welfare, pension, vacation, severance, retirement benefits, death benefits, stock purchase, profit sharing,

employee savings, supplemental unemployment insurance benefits, or similar savings; and

- (h) All other choses or things in action (property which has no intrinsic or marketable value, but is merely evidence or representative of value) including, but not limited to, other items specifically set forth in the Act or this section.

3002.3 For the purposes of §106 of the Act (D.C. Code §42-206) relating to the (ten (10) year) period for presumption of abandonment of bank deposits and funds in financial institutions, those deposits and funds include, but are not limited to, the following:

- (a) Checking accounts and savings accounts;
- (b) Matured certificates of deposit or saving certificates;
- (c) Christmas club accounts;
- (d) Security deposits;
- (e) Funds paid toward the purchase of shares;
- (f) Money on deposit to secure funds;
- (g) Unidentified deposits;
- (h) Mutual investment certificates;
- (i) Certified or registered checks, drafts, and cashier's checks;
- (j) Bills of exchange; and
- (k) Any other interest in a financial organization.

3002.4 For the purposes of §112 of the Act (D.C. Code §42-212), relating to property held by public officers and agencies, unclaimed property shall include, but is not necessarily limited to, escrow funds, condemnation awards, and missing heirs funds.

3002.5 For the purposes of §107 of the Act (D.C. Code §42-207), relating to funds held by life insurance corporations and all insurance corporations who pay benefits, unclaimed property shall include, but is not necessarily limited to, the following:

- (a) Amounts due and payable under the terms of a policy;
- (b) Matured whole life, term, or endowment insurance policies or annuity and supplementary contracts; and
- (c) Claim payments.



- 3002.6 A claim shall be considered payable and therefore reportable by an insurance company when the "offer" of payment has been delivered to the claimant.
- 3002.7 The burden shall be on the insurance company to show that the "offer" of payment is not reportable due to a reasonable lapse of time which has terminated the offer, or the specific rejection or revocation of the offer.
- 3002.8 The application of an automatic premium loan provision or other nonforfeiture provision of an insurance policy does not prevent a policy from being matured or terminated if the insured has died or the insured or the beneficiaries of the policy otherwise have become entitled to the proceeds of the policy before the depletion of the cash surrender value of the policy by the application of those provisions.
- 3002.9 For the purposes of §109 of the Act (D.C. Code §42-209), relating to undistributed dividends and distributions of business associations, in addition to items set forth in that section, unclaimed property shall include, but is not necessarily limited to, the following:
- (a) Escrow funds; and
  - (b) Any sum which is owed to a shareholder, certificate holder, member, bond holder, or other security holder or participating member of a cooperative (such as dividends, interest, principal payments, equity payments, profits, or distributions).
- 3002.10 Holders of abandoned securities, with a marketable value, are required to re-register the abandoned securities in the name of the District of Columbia prior to the delivery date. Delivery shall be pursuant to §119 of the Act.
- 3002.11 If the securities have no marketable value, the certificate shall be turned over to the District as custodian of the property pursuant to the provisions of §119(a) of the Act.
- 3002.12 The Mayor or the Mayor's designee acting in a fiduciary capacity as conservator of an abandoned security shall be considered the appropriate person to provide the necessary signature needed to negotiate a security.
- 3002.13 An indorsement of a security shall be made when the Mayor or the Mayor's designee signs on the security or on a separate document as assignment or transfer of the security or a power to assign or transfer it, or the Mayor's (or designee's) signature is written without more upon the back of the security.

SOURCE: Final Rulemaking published at 28 DCR 3622, 3623 (August 14, 1981); as amended by Final Rulemaking 28 DCR 4183 (September 25, 1981); and by Final Rulemaking published at 29 DCR 2200 (May 28, 1982).

### 3003 NOTICE TO OWNERS OF ABANDONED PROPERTY

- 3003.1 Under the provisions of §106 of the Act, a holder shall give notice to the owner of an inactive account, where required by the Act or this chapter,

notwithstanding any evidence of indirect communication or interest in the account by activity in another account.

3003.2 If the mailing status of an owner of record has fallen into an automatic return mail category based on prior attempts to communicate with the owner, the holder shall make reasonable attempts to ascertain the current address of the owner of record.

3003.3 If a more current mailing address of an owner of record cannot be obtained, and the mailing of an additional notice would prove futile, the sending of an additional notice shall not be required.

SOURCE: Final Rulemaking published at 28 DCR 3622, 3625 (August 14, 1981).

#### 3004 REPORTING

3004.1 A holder shall annually file a verified report ("Report of Unclaimed Property Verification and Checklist") even if only to indicate that the holder has no reportable items; unless otherwise notified by the Deputy Chief Financial Officer.

3004.2 The last known address of that apparent owner, as reflected in the records of the holder, shall be determinative of where the report and delivery is to be made. If the owner of record (the apparent owner) transfers his or her interest to another person without notice to the holder, the address of the owner of record controls.

3004.3 With respect to reports of unclaimed property under §106 of the Act, if determinable, the value of the property shall be reported as of the date of the delivery of the property. The report shall reflect the following:

- (a) The amount of interest that has actually accrued as of the date of the report; and
- (b) The amount of interest that is estimated will be accrued as of the date of delivery.

3004.4 In general, each report shall contain the information required by §117 of the Act (D.C. Code §42-217), and §§3004.14 and 3004.15 of this chapter. Reports that do not contain all required information shall be subject to rejection.

3004.5 Insurance companies shall provide the full name of the insured or annuitant and the beneficiary, and the last known address of each.

3004.6 Requests for additional information by the Deputy Chief Financial Officer to the holder shall be in writing and shall state the justification for the request for additional information.

3004.7 If service charges have been deducted, a holder shall include or attach as part of the report the following:

- (a) The citation to the authority or copy of the form of contract authorizing the service charge(s);



- (b) The value or amount of each item of property before any service charge(s) were deducted; and
  - (c) The amount of service charge(s) deducted from each item and the date(s) on which the service charge(s) were deducted.
- 3004.8 If the amount of service charge equals or exceeds the value of an item, this fact shall be reported in accordance with §3002.9.
- 3004.9 For the purposes of the Act and this chapter, the term “service charge” includes any deduction by a holder from property presumed abandoned under the Act, including any deductions made by the holder prior to the presumption of abandonment which are made by reason of the inactivity, dormancy, or unclaimed status of the property.
- 3004.10 Any interest or dividend accrued on property subject to the Act shall be included as part of the value of the property.
- 3004.11 Banking and financial organizations, insurance companies, and other holders shall be liable for interest or dividends payable on interest-bearing deposits, dividend bearing share accounts, and other interest-bearing policies or accounts until the period of the year the policies or accounts are required to be reported under the Act.
- 3004.12 If payment of interest or dividends on property presumed abandoned under the Act was discontinued before or after the property was presumed abandoned by reason of the inactivity, dormancy, or unclaimed status of the property, the holder shall include or attach as part of the report filed under the Act, the following:
  - (a) A copy of the form of contract which authorized the discontinuance of payment of interest or dividends;
  - (b) The citation to the authority for the discontinuances of payment of interest or dividends.
- 3004.13 Any holder of unclaimed property may voluntarily report funds before the statutory due dates and be relieved of all responsibility and accountability upon delivery of the unclaimed property.
- 3004.14 Notwithstanding the provisions of §3004.2, where the District has a reciprocal agreement with another state pursuant to §134(c) of the Act, any holder organized or domiciled in the District and in possession of unclaimed property belonging to an apparent owner whose last known address is within the other state shall submit on the form prescribed under §3004.1 such information as the Mayor may require to comply with the terms of the agreement. The provisions of this subsection shall not apply to District holders who report or otherwise provide directly to the other state information relating to unclaimed property described in this subsection.

3004.15 The information required to be submitted by holders in accordance with §134(c) of the Act and §3004.14 of this chapter shall be the same information required by §117 of the Act (D.C. Code §47-217) and §§3004.3 through 3004.13 of this chapter.

3004.16 A list of the names of the states which have reciprocal agreements with the District pursuant to §134(c) of the Act may be obtained from the Unclaimed Property Section, Office of Tax and Revenue.

SOURCE: Final Rulemaking published at 28 DCR 3622, 3625 (August 14, 1981); as amended by Final Rulemaking published at 31 DCR 656 (February 17, 1984).

## **3005 CONFLICTS BETWEEN CLAIMS OF STATES**

3005.1 If there is a dispute between two (2) or more jurisdictions which claim the same abandoned property under §126 of the Act (D.C. Code §42-226), the provisions of this section shall be determinative.

3005.2 If the owner's address does not appear on the records of the holder, the state of the holder's incorporation may take custody of the property until some other jurisdiction comes forward with proof of a superior right to custody of the property.

3005.3 If the owner's address is known, the state or jurisdiction of the last known address of the owner shall have priority.

3005.4 If the owner's address is in a jurisdiction that does not have an escheat or uniform disposition statute, then the state of the holder's incorporation shall take priority.

3005.5 Each dispute shall be considered within thirty (30) days after it is presented.

SOURCE: Final Rulemaking published at 28 DCR 3622, 3626 (August 14, 1981).

## **3006 RETENTION OF RECORDS**

3006.1 Each holder required to file a report under §117 of the Act shall, with respect to any property for which it has obtained the address of the owner, maintain a record of the name and address of the owner for ten (10) years after the date the property became reportable.

3006.2 Any business association in the District that sells traveler's checks, money orders, or other similar written instruments, other than third party checks, shall maintain a record of the instruments while they remain outstanding. The record shall indicate the state and date of issue for three (3) years after the date the property became reportable.

3006.3 A record may be destroyed after the record has been retained for a reasonable time as designated by the Mayor.

SOURCE: Final Rulemaking published at 28 DCR 4183 (September 25, 1981).



**3007 SAFE DEPOSIT REPOSITORY**

- 3007.1 The District shall be liable for unpaid rental charges until the point at which the boxes are drilled open. If drilling is pursuant to the Act, the District shall be liable for storage charges from the point of drilling until the property is delivered to the District.
- 3007.2 The District shall be liable for the cost of drilling undertaken only in compliance with the provisions of §120 of the Act. Reimbursement shall not be allowed for drilling due to nonpayment of rent or expiration of rental period.
- 3007.3 The repository shall request the presence of a representative of the Deputy Chief Financial Officer to be present at the drilling.
- 3007.4 In the presence of a repository representative or a representative of the Deputy Chief Financial Officer the contents of the safe deposit repository shall be inventoried, and an estimated value assigned to the contents.
- 3007.5 The contents of the opened box shall then be placed in a sealed package, and a statement signed by both representatives attesting to the contents and value shall be attached. The sealed package shall be placed in one of the repository's general safe deposit boxes.

SOURCE: Final Rulemaking published at 28 DCR 4183 (September 25, 1981); as amended by Final Rulemaking published at 29 DCR 2200 (May 28, 1982).

**3008 RECIPROCITY**

- 3008.1 Proceedings to enforce the unclaimed property laws of a foreign state against a holder domiciled in the District regarding property subject to escheat or a claim of abandonment by the foreign state may be commenced by filing a request with the Corporation Counsel.
- 3008.2 A request shall be filed in the name of the administrator of the statute in the foreign state.
- 3008.3 Each request shall be verified and shall state that the foreign state agrees to pay any and all expenses incurred by the Corporation Counsel in bringing the action.
- 3008.4 Each request shall state the following:
- (a) The name of the holder(s);
  - (b) A description of the property involved;
  - (c) The basis of the foreign state's claim; and
  - (d) Any other information which may prove helpful in locating or identifying the holder and the property in question.



**Title 9****District of Columbia Municipal Regulations**

3008.5 The decision whether to bring suit shall be within the discretion of the Corporation Counsel.

3008.6 The District may apply its own abandoned property policy or the policy of the foreign state.

SOURCE: Final Rulemaking published at 28 DCR 4183, 4184 (September 25, 1981).

**3009 COMMUNICATION**

3009.1 Any communication with the holder from the owner or individual entitled to the funds shall toll the running of the period of presumption of abandonment.

3009.2 Communications include, but are not limited to, any readjustments, premium payments, assignments, lawsuits, correspondence in writing or by telephone, or any other type of negotiation surrounding a pending claim or dispute.

SOURCE: Final Rulemaking published at 28 DCR 4183, 4185 (September 25, 1981).

**3010 REIMBURSEMENTS**

3010.1 If a claim is made to a holder who has delivered unclaimed property to the Mayor pursuant to §119(a) of the Act the holder may either:

- (a) Pay the claimant upon the filing of satisfactory proof of claim and seek reimbursement from the District;
- (b) Refer the claimant to the District; or
- (c) Under circumstances where the holder has delivered tangible property, the holder may reclaim the property for the rightful owner or refer the claimant to the District.

SOURCE: Final Rulemaking published at 29 DCR 2200 (May 28, 1982).

**3011 COLLATERAL**

3011.1 The amount of collateral, which must be deposited within fifteen (15) days of a notice of violation of the Act shall be up to but no more than, one-thousand dollars (\$1,000) per violation.

SOURCE: Final Rulemaking published at 29 DCR 5015 (November 12, 1982).

